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Federal Trade Commission
Office of the Secretary
Room H-135 (Annex)
600 Pennsylvania Avenue NW
Washington, D.C. 20508

Comments regarding Business Opportunity Rule R511993

First of all I want to commend the FTC for it's diligence in desiring to do what it can to protect the public from fraudulent business practices.

While I am aware that there are those groups which fraudulently take advantage of the general public, I believe this "broad brush" approach will have serious adverse effects on my business as well as that of over 13.6 million individuals who desire the opportunity to start their own business. This FTC proposed rule either inadvertently or deliberately is designed to dampen enthusiasm at the point of sale of any direct selling opportunity.

Let me tell you a little about myself. I spent 38 years in ministry helping alcoholics and drug addicts in recovery. Now that we are retired we are looking for ways to continue to help people as well as find ways to supplement our Social Security and pension income.

We have income goals that include helping us balance our personal budget; help our mother that has an even more challenging budget than we do; set up some college funds for our grandchildren and give more money to our church and favorite charities.

My goal is to bless people with information about an "open door of opportunity" in discovering how they may improve their health or how they may start their own home business. I don't consider myself a salesman. My whole career was spent as a messenger boy for God's message. Now, I am continuing as a messenger to deliver information and let people make their own decision.

Network Marketing is an opportunity to level the playing field for ordinary people like me to own their own business.

The requirements proposed in this Rule R511993 would impose undue burden on a single person trying to develop a business.

The 7 Day Waiting Period

This rule would create horrendous administrative record keeping burdens. It would put a delay on people who need to get a fast start in beginning their business. It can put a negative twist to something when people need all the positive thinking they can get. The FTC's proposed new rule will make it unlawful for any person who presents a business opportunity to another person to do so without making specific affirmative disclosures on a federal form to every prospect 7 days before consummation of a deal.

While it may have made good sense to require a 7 or 10 day waiting period before a person invested and risked thousands of dollars, it makes very little sense to require a very small multi-level business person to have a mandatory 7 day waiting period before signing up another distributor if the cost is less than \$500. It makes even less sense when there is a 30 day money back guarantee.

It would be a far more reasonable proposal if the FTC's rule exempted all business opportunities costing less than \$500.

Federal Prosecution for those who fail to fill out a form properly! The rule proposes to vigorously prosecute all who fail to properly fill out the multitude of required forms. Thousands could be prosecuted who have never committed fraud, but simply failed to fill out the mandated forms, or retain them for 3 years.

List Of Nearest References:

We speak to people all over the country who have called us seeking information about our product and it's business opportunities. It would be impossible for us to have this information available at a sales presentation. This information would not only be available to bona fide purchasers, but will have to be given to anyone who is interested, including competitors. This requirement would not deter fraudulent behaviour. It would be very easy for a fraudulent company to provide a list of "references" who are involved in a fraudulent business, but very burdensome on legitimate direct selling businesses.

Earnings Claim Statement

This is another requirement that will not deter fraud. A fraudulent company will not provide accurate data, while a legitimate business opportunity will have difficulty in meeting the requirements.

The proposed requirements for disclosure of all legal action; cancellations or refunds request; updated changes; record retention; all of these would discourage anyone from pursuing a small home business, which is the backbone of the economy of this country. I would not be able to remain in this business with my limited resources if Business Opportunity Rule 511993 is passed.